

Appropriation Account 2025

Vote 38

Health

Introduction

As Accounting Officer for Vote 38, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2025 for the salaries and expenses of the Office of the Minister for Health, and certain other services administered by that Office, including grants to the Health Service Executive and miscellaneous grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2025, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €54.507 million is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 6 form part of the account.

Transfer of functions

On 24 July 2024, the Government approved the transfer of local authority veterinary services function from the Department of Health to the Department of Agriculture, Food and the Marine (DAFM). This decision provided for the phased transfer of official food safety controls, the permanent transfer of associated funding, and the transfer of relevant staff resources to DAFM.

As part of the implementation of this decision, funding previously provided from Vote 38 (Health) for delivery of these veterinary controls was permanently reassigned to DAFM. For 2025, €7.7 million was transferred to DAFM to support the full operation of the service.

Responsibility for all operational, staffing and expenditure commitments relating to local authority veterinary services now rests fully with DAFM, and no residual liabilities remain on Vote 38.

Statement of accounting policies and principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation in circular 25 of 2025, have been applied in the preparation of the account. This includes the application of a number of Central Government Accounting Standards (CGAS) brought into effect for periods of account commencing from 1 January 2025.

Payments to the Health Service Executive

Funds are advanced to the Health Service Executive (HSE) in relation to the provision of services on a grant basis, in line with funding set out in the annual letter of determination which issues to the HSE setting out its approved level of expenditure. Grant funding paid to the HSE in 2025 amounted to €25.483 billion (2024: €24.111 billion) and was charged to the relevant subheads. This is accounted for across 18 subheads – each subhead from subhead I to subhead T.1, excluding subhead M.1, which relate to the capital expenditure of agencies under the aegis of the Department other than the HSE.

Regional subheads were introduced in 2025, which reduced the funding allocated under subhead J.1 and redistributed that funding to the new health regions in line with the Sláintecare reform programme.

The Department made an advance payment of €80.913 million to the HSE for payrolls dated 2 January 2026. This amount was charged to a debit account on the statement of financial position.

Depreciation of capital assets

Depreciation of property, plant and equipment and amortisation of intangible assets are calculated and charged in accordance with CGAS 17 and CGAS 31 respectively.

The useful lives and associated rates of depreciation/amortisation for major classes of capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation/ amortisation</i>
IT equipment	5 years	20%
Software licenses	5 years	20%

Statement on internal financial control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General.

Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Department and the National Shared Services Office for the provision of human resources and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Department.

The Accounting Officer for Shared Services has put in place an audit process to provide independent assurance on the operation of controls within shared services.

This assurance is a combination of:

- Internal audit work performed by the National Shared Services Office Internal Audit Unit, and
- Audits conducted by a firm of accountants in accordance with the International Standard on Assurance Engagements (ISAE 3402), designed to report to user departments and their auditors on the controls within shared services. These audits report on the effectiveness of controls operated in 2025.

Financial control environment

A control environment comprising of the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

A framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability.

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Department.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.

Internal audit and Audit Committee

The Department has an internal audit function which operates in accordance with a written charter which I have approved, and which is led by a qualified member of the Chartered Institute of Internal Auditors. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, jointly approved by me and the Audit Committee, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. Further internal audit services in 2025 were broadly delivered in compliance with the *Internal Audit Standards for Government Departments and Offices* (updated 2025), as issued by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

I confirm that the Department has an independent and qualified Audit Committee in situ, and it has operated satisfactorily throughout the year. I can also confirm that the Audit Committee operated in accordance with a charter which was approved by me.

The internal audit function is reviewed periodically by me and the Audit Committee and is subject to independent quality assessment at least once every five years. Further, I have put procedures in place to ensure that the internal audit reports are appropriately followed up.

Procurement

The Department ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines. Expenditure on goods and professional and other contracted services, amounted to a total of €10.2 million in 2025 (VAT inclusive).

The Department has provided details of six non-competitively procured contracts in excess of €25,000 in the annual return in respect of circular 40/2002 to the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

No contracts in 2025 were considered non-compliant with procurement guidelines.

Risk and control framework

The Department has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

Significant progress has been made in embedding the Department's risk management framework. A quarterly risk reporting cycle has been implemented, increasing engagement with e-Risk (risk register) across the Department. September 2025 was designated as 'Spotlight on Risk Month', focusing on key elements of the risk management process. Risk management training was provided to all staff on embedding risk management, as well as tailored training to line units responsible for risk governance oversight of bodies under the Department's aegis. These initiatives aim to embed a risk-aware culture within the Department.

The Risk Committee met regularly to ensure effective oversight and assurance on risk management. Regular updates on risk management were presented to the Department's Corporate Governance Committee, a sub-committee of the Management Board, which provides assurance to the Accounting Officer regarding the suitability and robustness of the Department's corporate governance systems, processes and procedures.

The focus during 2026 will be on reviewing and updating the risk management framework to optimise internal risk management capabilities.

Governance in the health sector

The Department's approach to managing governance across the health sector in 2025 is based on the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation *Code of Practice for the Governance of State Bodies (2016)*. Oversight of aegis bodies is undertaken by the designated units within the Department led at Principal Officer level with input and support from the Department's Governance and Risk Unit and other relevant units.

Responsibility for delivery on the mandate and functions of aegis bodies rests in the first instance with each board, and each chair of the board.

The relationship between the Department and the bodies under its aegis is determined primarily by the underpinning legislation establishing the body, and the requirements set out in the *Code of Practice*.

Under the *Code of Practice*, oversight agreements and performance delivery agreements were in place with aegis bodies during 2025. This approach focuses on outputs and outcomes and includes performance indicators to ensure that resources are used both in an effective and efficient manner to deliver quality services.

A corporate plan covering a three-year period is prepared by the HSE and approved by the Minister for Health. The current HSE Corporate Plan 2025-2027 was published by the HSE on the 10 July 2025. Each year, the HSE continues to prepare a *National Service Plan* setting out the type and volume of services it intends to provide for the funding available. This *National Service Plan* complies with section 9.5.2 of the oversight agreement with regard to the requirements of a performance delivery agreement. The *National Service Plan 2025* was approved by the Minister for Health on 3 January 2025, subject to the HSE making a number of agreed amendments. The updated revised plan was subsequently laid before both Houses of the Oireachtas as per the legislative requirement in section 31(13) of the Health Act 2004 (as amended) and published by the HSE on the 14 January 2025.

Performance reports are submitted monthly by the HSE during the course of the year, and monthly meetings take place at various levels between the two organisations to discuss ongoing or emerging performance issues and determine actions to improve areas of concern.

In relation to other aegis bodies, legislation generally provides for a multi-annual corporate plan and an annual business plan. These plans allow, respectively for overall corporate strategy and annual priorities to be developed and agreed with the Department.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the management board, where relevant, in a timely way. I confirm that key risks and related controls have been identified, and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

The Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

Late payment of taxes

The Department made a voluntary disclosure to Revenue about the late payment of VAT on a foreign invoice. The invoice was received by the Department in 2023 but was not submitted to the Accounts Unit for payment until January 2025. Although the VAT due was paid when the invoice was settled in 2025, the Value-Added Tax Consolidation Act 2010 requires VAT to be accounted for in the period in which the service was received. As a result, Revenue calculated interest of €23,560 in respect of the period between the date the VAT became due and the date of payment.

The Department also undertook a review of professional memberships and subscriptions paid on behalf of employees. The review found that certain memberships did not qualify for a benefit in kind (BIK) exemption. While these memberships were beneficial to employees in carrying out their roles, they were not considered essential to the performance of their duties. As a result, outstanding BIK, together with related interest, of €4,819 became payable.

A penalty of €8,846 was applied by Revenue, resulting in a total liability of €37,225. The Department made one payment in November 2025 of €16,810 at the time of disclosure and the remaining amounts were settled in 2026.

Unsanctioned ex-gratia payment

During 2025, a payment totalling €75,000 was made to Organisation Anticonvulsant Syndromes Ireland (OACS Ireland) as part of its work on the Sodium Valproate Inquiry. Payment was made on foot of a government decision which allowed the chair of the Inquiry to advise on necessary supports for participation by patients in the inquiry.

In this instance, the required sanction from the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation was not sought as prescribed under that Department's *Public Financial Procedures*.

Management has reviewed the circumstances surrounding this transaction and are taking corrective action to prevent recurrence. This includes: (i) issuing guidance to staff on sanction requirements; (ii) strengthening pre-payment review controls; and (iii) updating internal procedures to ensure all payments requiring external sanction are subject to an additional compliance check.

No further internal control weaknesses were identified in relation to 2025, that require disclosure in the appropriation account.

Robert Watt
Accounting Officer
Health

24 March 2026

Comptroller and Auditor General Report for presentation to Dáil Éireann

Vote 38 Health

Opinion on the appropriation account

I have audited the appropriation account for Vote 38 Health for the year ended 31 December 2025 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 38 Health for the year ended 31 December 2025, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Department of Health and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Allocation of mental health beds

Chapter 27 of my *Report on the Accounts of the Public Services for 2025* reviews issues relating to the allocation of acute adult inpatient HSE-registered general mental health beds.

Repayment to the EU Solidarity Fund

The statement of financial position includes a provision in respect of a probable refund of €14 million due to the EU, arising from a 2025 audit of Covid-related grant funding from the EU Solidarity Fund. Chapter 10 of my *Report on the Accounts of the Public Services for 2025* sets out the details of the case.

Seamus McCarthy

Comptroller and Auditor General

11 September 2026

Appendix to the report of the Comptroller and Auditor General

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to Dáil Éireann stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the appropriation account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Appendix to the report of the Comptroller and Auditor General (continued)**Reporting on the statement on internal financial control**

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 38 Health

Appropriation Account 2025

Service	2025		2024
	Estimate provision €000	Outturn €000	Outturn €000
Administration			
A.1 Salaries, wages and allowances	56,357	54,605	50,488
A.2 Travel and subsistence	800	550	566
A.3 Training and development	770	711	651
A.4 Operational services, supplies and sundry equipment	1,949	1,313	1,313
A.5 Digital capital investment and IT expenses	2,560	2,130	1,751
A.6 Premises expenses	1,339	1,038	1,044
A.7 Policy reviews, consultancy services and research	1,834	716	513
Grants			
B.1 Grants to research bodies	58,070	56,701	51,951
B.2 Healthy Ireland fund	16,969	16,617	15,384
B.3 Drugs initiative	11,626	6,936	5,757
Other services			
C Expenses re WHO and other international bodies	4,703	4,816	4,535
D Statutory and non-statutory inquiries and miscellaneous legal fees and settlements	11,073	4,404	7,142
E.1 Developmental, consultative, supervisory and advisory bodies	138,337	110,874	109,692
E.2 The Food Safety Promotion Board	6,335	6,333	5,691
E.3 The National Treatment Purchase Fund	230,022	240,000	100,000
E.4 Ireland/Northern Ireland INTERREG	1,662	1,650	—
— <i>Agency Covid actions</i>	—	—	139,000
F.2 Payments in respect of persons claiming vaccination damage	1	—	—
F.3 Payments to a special account established under Section 10 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	15,500	14,374	12,721

Service		2025		2024
		Estimate provision €000	Outturn €000	Outturn €000
Other services (continued)				
F.4	Payments to a reparation fund established under Section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	2,500	2,456	2,186
G	Information, conferences and publication for health and health services	3,463	3,381	2,532
H	Sláintecare	8,300	5,548	5,945
Corporate administrative				
I	Net pension costs			
	<i>Original</i>	887,215		
	<i>Supplementary</i>	2,316		
		889,531	881,027	833,091
HSE health and social care services				
J.1	HSE core services – national			
	<i>Original</i>	2,315,110		
	<i>Supplementary</i>	(47,519)		
		2,267,591	2,370,102	15,057,642
—	<i>HSE Covid-19 actions</i>		—	850,666
Other HSE services				
K.1	Health agencies and similar organisations (National Lottery)	4,513	—	—
K.2	Payments to Special Account – Health (Repayment) Act 2006	1,700	—	—
K.3	Payment to special account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 – Insurance Scheme	1,000	762	1,043
K.4	Payments to State Claims Agency re clinical negligence			
	<i>Original</i>	510,000		
	<i>Supplementary</i>	(83,239)		
		426,761	405,253	417,046
K.5	Economic and social disadvantage (dormant account funding)	1,985	—	710

Service	2025		2024
	Estimate provision €000	Outturn €000	Outturn €000
Care programme			
L.1 Primary care reimbursement services			
	<i>Original</i> 4,075,084		
	<i>Supplementary</i> 143,037		
		4,218,121	4,216,125
L.2 Local demand led schemes			
	<i>Original</i> 364,424		
	<i>Supplementary</i> 14,979		
		379,403	385,000
L.3 Long term residential care			
	<i>Original</i> 1,231,357		
	<i>Supplementary</i> 23,468		
		1,254,825	1,274,270
			1,169,878
Capital services			
M.1 Grants in respect of building, equipment (including ICT)		19,927	15,865
M.2 Building and equipment (health facilities)			14,426
	<i>Original</i> 1,250,000		
	<i>Supplementary</i> (55,903)		
		1,194,097	1,198,102
			1,139,742
M.3 Information systems for health agencies			
	<i>Original</i> 562,318		
	<i>Supplementary</i> 58,000		
		620,318	623,970
			425,188
HSE core services — regional health areas			
O.1 RHA 1 Dublin and North East			
	<i>Original</i> 3,083,971		
	<i>Supplementary</i> 54,289		
		3,138,260	3,113,923
			—
P.1 RHA 2 Dublin and Midlands			
	<i>Original</i> 3,281,209		
	<i>Supplementary</i> 58,790		
		3,339,999	3,374,206
			—

Service		2025			2024
		Estimate provision		Outturn	Outturn
		€000	€000	€000	€000
Q.1	RHA 3 Dublin and South East				
	Original	2,407,246			
	Supplementary	42,663			
			2,449,909	2,447,242	—
R.1	RHA 4 Mid West				
	Original	1,060,299			
	Supplementary	19,003			
			1,079,302	1,101,179	—
S.1	RHA 5 South West				
	Original	1,811,963			
	Supplementary	32,045			
			1,844,008	1,841,546	—
T.1	RHA 6 West and Northwest				
	Original	2,309,910			
	Supplementary	40,168			
			2,350,078	2,306,643	—
Gross expenditure					
	Original	25,753,401			
	Supplementary	302,097			
			26,055,498	26,034,243	24,644,419
Deduct					
Appropriations-in-aid			416,417	449,669	449,414
Net expenditure					
	Original	25,336,984			
	Supplementary	302,097			
			25,639,081	25,584,574	24,195,005

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2025	2024
	€	€
Surplus to be surrendered	54,506,851	28,203,497

Robert Watt
Accounting Officer
Health

24 March 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

	2025	2024
	€000	€000
Expenditure on Department administration	61,063	56,326
Expenditure on services and programmes	25,973,180	24,588,093
Gross expenditure	26,034,243	24,644,419
<i>Deduct</i>		
Appropriations-in-aid	449,669	449,414
Net expenditure	25,584,574	24,195,005
Changes in capital assets		
<i>Property, plant and equipment (note 2.1)</i>		
Purchases	(130)	
Depreciation	64	
<i>Intangible assets (note 2.2)</i>		
Purchases	(177)	
Amortisation in year	5	
	(238)	(12)
Changes in non-current provisions (note 2.5)	(6,267)	37,795
Changes in net current assets		
Increase in prepayments	(4,930)	
Decrease in accrued income	69	
Increase in provisions	13,999	
Increase in accrued expenses	82	
	9,220	19,658
Direct expenditure	25,587,289	24,252,446
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	21,901	21,635
Net programme cost	25,609,190	24,274,081

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 38 borne elsewhere.

		2025	2024
		€000	€000
Vote 9	Office of the Revenue Commissioners	41	41
Vote 12	Superannuation and Retired Allowances	13,364	13,029
Vote 13	Office of Public Works	7,494	7,643
Vote 18	National Shared Services Office	111	62
Vote 20	Garda Síochána	448	400
Vote 43	Office of the Government Chief Information Officer	138	138
Central Fund – ministerial pensions		305	322
		21,901	21,635

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025	2024
		€000	€000
Fixed assets			
Property, plant and equipment	2.1	178	112
Intangible assets	2.2	174	2
		352	114
Current assets			
Prepayments	2.3	6,258	1,328
Accrued income		223	292
Other debit balances	2.4	83,651	82,844
Net Exchequer funding	2.8	4,836	4,302
		94,968	88,766
<i>Less</i>			
Current liabilities			
Provisions	2.5	25,952	11,953
Accrued expenses	2.6	7,423	7,341
Bank overdraft	2.8	81,214	81,490
Other credit balances	2.7	7,273	5,656
		121,862	106,440
Net current liabilities		(26,894)	(17,674)
Non-current liabilities			
Provisions	2.5	31,528	37,795
Net liabilities		(58,070)	(55,355)
Represented by:			
State funding account	2.9	(58,070)	(55,355)

2.1 Property, plant and equipment

	Office and IT equipment €000	Total €000
Cost or valuation		
At 1 January 2025	358	358
Additions	130	130
Adjustment ^a	18	18
At 31 December 2025	506	506
Accumulated depreciation		
At 1 January 2025	246	246
Depreciation for the year	64	64
Adjustment ^a	18	18
At 31 December 2025	328	328
Net assets		
At 31 December 2025	178	178
At 31 December 2024	112	112

Note ^a A fully depreciated but still in use asset was added to the register.

2.2 Intangible assets

	Acquired software licences €000	Total €000
Cost or valuation		
At 1 January 2025	119	119
Additions	177	177
At 31 December 2025	296	296
Accumulated depreciation		
At 1 January 2025	117	117
Amortisation for the year	5	5
At 31 December 2025	122	122
Net assets		
At 31 December 2025	174	174
At 31 December 2024	2	2

2.3 Prepayments

at 31 December	2025	2024
	€000	€000
Healthy Ireland fund	2,805	703
Sláintecare integration fund	1,572	276
HSE Corporate	600	—
Institute of Public Health	492	—
Irish Red Cross	300	—
Queens University Belfast	255	113
Other prepayments	116	174
Training	93	62
Bord Bia	25	—
	6,258	1,328

2.4 Other debit balances

at 31 December	2025	2024
	€000	€000
HSE debtor (funding advance)	80,913	78,109
Hepatitis C Compensation Tribunal	1,375	3,532
Department salaries (funding advance)	1,142	1,069
Other debit suspense items	127	77
Recoupable travel pass scheme expenditure	59	50
Recoupable travel expenditure	31	7
Recoupable salary	4	—
	83,651	82,844

2.5 Provisions

at 31 December	2025	2024
	€000	€000
Hepatitis C Tribunal awards and reparations	29,988	35,603
Other legal provisions	13,492	14,145
Other ^a	14,000	—
Total	57,480	49,748
Current liabilities	25,952	11,953
Non-current liabilities	31,528	37,795

Movement of each class of provision in 2025

	Hepatitis C Tribunal awards and reparations €000	Other legal provisions €000	Other ^a €000
Opening balance	35,603	14,145	—
Additional provision made	5,029	—	14,000
Amounts used	(11,579)	(978)	—
Interest expense	935	325	—
Balance as at 31 December	29,988	13,492	14,000

Note ^a A 2025 audit of the Department's management and control of an EU Solidarity Fund (EUSF) grant resulted in a calculation of a probable refund due to the EU estimated at €14 million.

2.6 Accrued expenses

at 31 December	2025 €000	2024 €000
Administration expenses	2,270	1,548
Payroll accrual	1,849	973
Hepatitis C awards	1,606	2,129
Holiday pay accrual	1,194	1,016
Sláintecare	197	—
Healthy Ireland fund	152	55
Other accruals	115	273
Irish Blood Transfusion Service	—	88
Legal fees	27	46
National Advisory Service	13	8
International horizon scanning initiative	—	1,205
	7,423	7,341

2.7 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income tax	688	630
Pay related social insurance	523	475
Universal social charge/income levy	124	126
Local property tax	3	2
Value added tax	139	118
Professional services withholding tax	220	38
	<u>1,697</u>	<u>1,389</u>
Suspense		
Payroll deductions held in suspense	396	321
EU funding	5,180	3,945
Other credit suspense items	—	1
	<u>5,576</u>	<u>4,267</u>
	<u>7,273</u>	<u>5,656</u>

2.8 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	54,507	28,203
Exchequer grant undrawn	<u>(59,343)</u>	<u>(32,505)</u>
Net Exchequer funding	<u>(4,836)</u>	<u>(4,302)</u>
Represented by:		
Debtors		
HSE debtor (advance)	80,913	78,109
Debit balances: suspense	<u>2,738</u>	<u>4,735</u>
	83,651	82,844
Creditors		
Due to the State	(1,697)	(1,389)
Bank overdraft	(81,214)	(81,490)
Credit balances: EU	(5,180)	(3,945)
Credit balances: suspense	<u>(396)</u>	<u>(322)</u>
	<u>(88,487)</u>	<u>(87,146)</u>
	<u>(4,836)</u>	<u>(4,302)</u>

2.9 State funding account

	Note		2025	2024
		€000	€000	€000
Balance at 1 January			(55,355)	2,082
Disbursements from the Vote				
Estimate provision	Account	25,639,081		
Surplus to be surrendered	Account	(54,507)		
Net vote			25,584,574	24,195,005
Expenditure borne elsewhere	1.1		21,901	21,635
Intangible asset net adjustment			—	4
Net programme cost	1		(25,609,190)	(24,274,081)
Balance at 31 December			(58,070)	(55,355)

2.10 Commitments

	2025	2024
	€000	€000
a) Global commitments		
at 31 December		
Non-capital grant programmes	33,775	34,965
Capital grant programmes	25,351	33,899
Total of legally enforceable commitments	59,126	68,864
b) Non-capital grant programmes	€000	€000
Opening balance 1 January	34,965	34,567
New grant commitments	27,081	43,225
Grants paid in the year	(25,274)	(32,301)
Grants cancelled	(2,997)	(10,526)
Closing balance 31 December	33,775	34,965
c) Capital grant programmes	€000	€000
Opening balance	33,899	37,164
Grants paid in the year	(9,484)	(9,561)
New grant commitments	1,309	6,339
Grants cancelled	(373)	(43)
Closing balance	25,351	33,899

2.11 Matured liabilities

	2025	2024
	€000	€000
at 31 December		
Estimates of matured liabilities not discharged at year end	147	473

2.12 Contingent liabilities

The Department is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation.

As provided for in section 109 of CGAS 19 *Provisions, Contingent Liabilities and Contingent Assets*, the Department has decided not to disclose specific details of open cases involving contingent liabilities, in order to avoid prejudicing its position in ongoing litigation.

2.13 Contingent asset: bonded payments by the NPHDB

In 2021 and 2024, the standing conciliator on the National Children's Hospital Ireland (NCHI) capital project made a number of recommendations in relation to claims from the principal contractor for the project for adjustments to the contract sum which were disputed by the National Paediatric Hospital Development Board (NPHDB – the employer) under the terms of the public works contract.

The NPHDB subsequently issued a 'notice of dissatisfaction' to the conciliator's recommendations.

The main contractor initiated court proceedings in respect of the claims and provided bonds against the value of the conciliator's recommendations. The NPHDB was contractually required to make payment on foot of these bonds along with the payment of the RCT liability.

The NPHDB is delivering the NCHI capital project under a modified PW-CF1 public works contract. Payments under bond are made as part of the dispute resolution process as outlined in the public works contract. A bond is taken out only when a conciliator's recommendation has been rejected, and the matter has been referred to arbitration or the High Court.

As of end December 2025 bonded payments total €164.7 million (including RCT), but this does not represent a contractual liability increase. The interest risk associated with bonded payments is borne by the contractor. (2024: €164.7 million)

A bonded payment allows the recommended payment to be reclaimed if a subsequent decision reverses the payment, in this case the High Court.

In line with the dispute resolution process, the NPHDB was required to pay the recommended amount to the contractor, with the bond providing security for the payment until the dispute is resolved in the courts. The RCT was paid directly to Revenue Commissioners by the NPHDB.

The NPHDB has complied with all of its payment obligations as determined under the contract's dispute resolution mechanisms. The conciliation process in relation to these claims is now closed and conciliator's recommendation cannot inform the High Court proceedings.

An adjudication decision on the project, from March 2025, makes clear that the recommendation of the standing conciliator is only temporarily binding, in respect of the monies recommended and which are paid subject to the contractor raising a bond.

Vote drawdown process and treatment of the bonded payments in financial statements

The basics of the grant drawdown process for the National Children's Hospital Ireland capital project is that NPHDB submits its drawdown requests to the HSE. The HSE in turn include these amounts in its drawdown requests from the Department of Health. These payments are drawn down from the health capital subhead (M.2).

The substance and legal form of the bonded payments is that they are 'payable' items rather than 'expense' items as they are not a certified payment against the contract.

In light of this, the amount of the bond payments to the value of €164.7 million (RCT inclusive) is disclosed by way of note as a contingent asset (per paragraph 39 and 105 of *CGAS 19 Provisions, Contingent Liabilities and Contingent Assets*) in the appropriation account of the health vote, as, in the event that this payment is not certified against the contract, this amount will be repayable by the NPHDB to the HSE and in turn by the HSE to the Department of Health.

This treatment is in line with that applied in the NPHDB financial statements (audited by the Office of the Comptroller and Auditor General) where the bonded payments to the contractor are not recorded in the value of capital commitments contracted for and the amount relating to the bond is carried by the NPHDB as a balance due to the HSE as in the event that this payment is not certified against the contract, this amount will be repayable to the HSE.

2.14 HSE balance

at 31 December	2025 €000	2024 €000
Opening liability 1 January	(277,937)	(417,950)
Adjustment to prior year closing figure	(8)	—
Determination	(25,483,227)	(24,111,124)
Grants issued ^a	25,483,227	24,111,130
HSE debtor advanced payment 2026 ^b	80,913	
HSE debtor advanced payment 2025	(78,109)	78,109
Capital first surplus retraction	—	61,897
Closing liability 31 December	(275,141)	(277,937)
Net balance with HSE	(275,141)	(277,937)

Note ^a Grants issued include an amount of €214,000 that was refunded at year end to the Department via appropriations-in-aid for unspent capital.

^b In 2025, total payments issued from the Health Vote to the HSE were more than the amount set out in the Minister's annual letter of determination. €80.9 million of this was advance funding for 2026.

2.15 Impact of accounting policy changes

Nine new central government accounting standards (CGAS) were implemented with effect from 1 January 2024 and six new central government accounting standards (CGAS) were implemented with effect from 1 January 2025. The impact of the new policy or policies may span a number of years. The implementation had the following impact on the State funding balance:

	2025	2024
	€000	€000
Provisions ^a	—	(49,748)
Holiday accrual ^b	—	(1,016)
Payroll accrual ^b	—	(973)
	—	(51,737)

Note ^a CGAS 19 Provisions, Contingent Liabilities and Contingent Assets

^b CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Expenditure variances

The following outlines the reasons for significant variations in expenditure from the amount provided. A significant variation is +/- €100,000 and +/- 5% of the amount provided (administration subheads +/- 25%).

Administration expenditure

A.2 Travel and subsistence

Estimate provision €800,000; outturn €550,000

The underspend arose primarily because business units adopted alternative meeting arrangements, reducing the requirement for travel. While additional provision had been made for EU Presidency-related travel, many planned activities were deferred or did not proceed, resulting in lower expenditure than estimated. The variance is therefore attributable to reduced operational demand and non-materialisation of anticipated Presidency commitments. The underspend was surrendered at year end.

A.4 Operational services, supplies and sundry equipment

Estimate provision €1.949 million; outturn €1.313 million

The variance chiefly reflects the non-occurrence of expected hosting costs for incoming delegations related to Presidency preparations. These activities were either scaled back, deferred, or replaced by virtual engagements, resulting in lower operational expenditure. The underspend was surrendered at year end.

A.7 Policy reviews, consultancy services and research

Estimate provision €1.834 million; outturn €716,000

Of the €1.834 million allocation, €1.17 million related to projects scheduled to commence in 2025. Expenditure of €715,410 was incurred on these projects, while €223,874 remained committed but unspent due to timing differences in project delivery. A further €231,282 related to cancelled or completed-under-budget projects, resulting in lower-than-estimated outturns. The variance therefore reflects project timing, cancellations, and efficiency savings. The underspend was surrendered at year end.

Grants

B.3 Drugs initiative

Estimate provision €11.626 million; outturn €6.936 million

The underspend occurred because of the amount of €3.9 million earmarked for transfer to the HSE under the virement process. This was a funding transfer and not an actual payment made directly from B.3. These funds were ring-fenced for specific initiatives, and release was contingent on HSE approved requests. The remaining underspend was surrendered at year end.

Other services

D Statutory and non-statutory inquiries and miscellaneous legal fees and settlements

Estimate provision €11.073 million; outturn €4.404 million

A substantial settlement expected to fall due in 2025 did not materialise, owing to ongoing legal negotiations. This resulted in a significant favourable variance reflecting case-timing unpredictability. The underspend was surrendered at year end.

E.1 Developmental, consultative, supervisory and advisory bodies

Estimate provision €138.337 million; outturn €110.874 million

The Department advances funds to health agencies up to an approved level of expenditure or actual expenditure whichever is the lesser amount. Spend on non-HSE agencies such as the Health Information and Quality Authority, the Mental Health Commission, Food Safety Authority of Ireland, and other bodies was lower than expected due to slower than expected expansion of services and deferral of expenditure to next year.

Other miscellaneous items of underspend under this subhead, due to the postponement of certain programmes and timing of payments, include health data access bodies, Patient Safety Office initiatives, National Immunisation Advisory Committee, National Screening Advisory Committee and Commission on Care for Older People. A virement in the amount of €10 million was made to subhead E.3 in 2025 and the remaining underspend was subject to surrender at the end of the year.

F.3 Payments to a special account established under Section 10 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002

Estimate provision €15.5 million; outturn € 14.374 million

Expenditure was lower than expected due to fewer-than-forecast awards by the independent Tribunal. Award volumes and values cannot be reliably predicted, resulting in lower in-year expenditure. The underspend was surrendered at year end.

H Sláintecare

Estimate provision €8.3 million; outturn €5.548 million

The underspend in expenditure on Sláintecare (SIIF) in 2025 related primarily to fewer than expected applications for Round 4 funding: an extended period of appraisal for some projects in Round 4 to enable appropriate decision making and a reduced number of successful projects following the appraisal process. As a result, the amount of funding which could be disbursed to Round 4 projects in 2025 was reduced, compared to the amount expected to be disbursed. The underspend was surrendered at year end.

Other HSE services

K.1 Health agencies and similar organisations (National Lottery)

Estimate provision €4.513 million; outturn €nil

Subhead K.1 provides grant support to eligible voluntary organisations subject to scheme criteria and verification. The variance arises because the HSE did not draw down funds in year, reflecting the timing and eligibility conditions of the scheme and the completion of sponsor requirements prior to payment. The underspend was subject to virement at the end of the year.

K.2 Payments to special account - Health (Repayment) Act 2006

Estimate provision €1.7 million; outturn €nil

Subhead K.2 meets statutory repayments due under the Health (Repayment Scheme) Act 2006. The variance is due to the inherent unpredictability in the timing and verification of claims; where eligible repayments did not fall due within the year, the associated drawdown was lower than the provision. The underspend was subject to virement at the end of the year.

K.3 Payment to special account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 – insurance scheme

Estimate provision €1 million; outturn €762,000

Subhead K.3 provides for payments to the special insurance scheme account associated with the Hepatitis C Compensation Tribunal. The variance reflects lower than anticipated in year requirements and case timing, resulting in a reduced drawdown relative to the estimate. The underspend was subject to virement at the end of the year.

K.4 Payments to State Claims Agency re clinical negligence

Estimate provision €510 million; outturn €405.253 million

Subhead K.4 funds reimbursements to the State Claims Agency for health-related clinical negligence costs. The variance reflects a lower annual cash requirement than profiled due to fewer very high value catastrophic injury and maternity settlements completing in year and a settlement profile that has shifted from once off lump sums to interim or periodic payment structures, reducing the in year charge relative to the estimate. €83.2 million was transferred from this subhead via the supplementary process and the remaining underspend was subject to virement at year end.

K.5 Economic and social disadvantage (dormant account funding)

Estimate provision €1.985 million; outturn €nil

Subhead K.5 provides Dormant Accounts funding for health-related projects targeted at disadvantaged groups, allocated annually under the Government approved Dormant Accounts Action Plan. All projects under earlier action plans had been completed, mainstreamed or de committed by the start of 2025; no new applications were submitted for the 2025 cycle and no projects were approved, so no drawdown arose during the year. A new action plan has now been approved for the coming year, under which two health related projects — the Community and Health Development Programme and the Carer's Needs Assessment Tool pilot — will proceed, and drawdown will resume accordingly. The underspend was subject to virement at the end of the year.

Care programme

L.2 Local demand led schemes

Estimate provision €364.424 million; outturn €385 million

Subhead L.2 provides funding for Local Demand Led Schemes administered through community services, covering patient specific clinical supports such as home oxygen, medical and surgical appliances and consumables, and other locally commissioned, demand driven items outside the core PCRS schemes. The variance reflects caseload changes, case mix shifts, supplier pricing and contractual factors, and the timing of claims processing across regions, resulting in an outturn below the original estimate. €14.9 million was transferred to this subhead via the supplementary process.

Capital services

M.1 Grants in respect of building equipment (Including ICT)

Estimate provision €19.927 million; outturn €15.865 million

Expenditure was lower than expected due to lower-than-forecast expenditure by non-HSE agencies on capital projects. Expenditure on capital programmes may not be uniform, resulting in lower in-year expenditure. The underspend was subsequently subject to virement within the overall capital vote where €57k virement transferred to capital subhead A.5 and €4.005 million virement transferred to subhead M.2.

M.3 Information systems for health agencies

Estimate provision €562.3 million (capital €190 million; current €372.3 million); outturn €623.97 million (capital €201.5 million; current €422.4 million)

Subhead M.3 provides current funding for technology, digital health and transformation programmes across the health system, including support, maintenance, licensing, hosting, cyber security and programme delivery costs associated with national systems. The variance reflects higher than anticipated expenditure on digital enablement and technology support activities during the year as several national digital programmes, platforms and associated operational supports progressed more rapidly than originally profiled, resulting in an outturn above the estimate.

Subhead M.3 provides capital funding for technology, digital health and transformation infrastructure programmes across the health system, including development and upgrading of national systems. The variance reflects a reallocation from capital subhead M.2 under the supplementary estimates process to assist in meeting commitments on digital infrastructure activities under the Programme for Government.

This reallocation enabled delivery in this area at a rate faster than initially planned and led to a higher than anticipated expenditure on digital infrastructure activities during the year as national digital programmes and platforms progressed more rapidly than originally profiled, resulting in an outturn above the estimate. €11.5 million transferred to subhead M.3 capital from subhead M.2 capital in the supplementary estimates process. €46.5 million transferred from subhead M.2 capital to subhead M.3 current in the supplementary estimates process.

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Recovery of EU health costs	230,700	260,000	260,000
2	Receipts from certain excise duties on tobacco products	167,605	167,605	167,605
3	Optical benefit	6,400	6,990	6,645
4	Dental benefit	3,700	7,237	5,648
5	Dormant accounts	250	—	710
6	Additional superannuation contributions	5,150	5,856	5,149
7	Receipts in respect of the European Social Fund and European Regional Development Fund	1,912	650	2,663
8	Miscellaneous	700	1,331	994
		416,417	449,669	449,414

Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000).

1. Recovery of EU health costs

Estimate provision €230.7 million; realised €260 million

The variance of €29.3 million is largely due to a higher than anticipated payment from the UK in respect of European Economic Area (EEA) claims. The UK administration have committed to reviewing this payment, we had anticipated more progress than had happened with the re-negotiation of the reciprocal formula with the UK and the estimate reflected an expected decrease in the net payment. Due to a variety of factors such as the lack of easily available matching data between both jurisdictions limited progress was made. As such the UK agreed to maintain the net payment at the prior year level.

3. Optical benefit

Estimate provision €6.4 million; realised €7 million

This is demand led and therefore difficult to predict. The actual figures are only provided by the Department of Social Protection (DSP) in December.

4. Dental benefit

Estimate provision €3.7 million; realised €7.2 million

This is demand led and therefore difficult to predict. The actual figures are only provided by DSP in December.

5. Dormant accounts

Estimate provision €250,000; realised €nil

An anticipated application for dormant accounts funding did not materialise.

6. Additional superannuation contributions

Estimate provision €5.2 million; realised €5.8 million

The variance was as a result of increased staffing in the Agencies.

7. Receipts in respect of the European Social Fund and European Regional Development Fund

Estimate provision €1.9 million; realised €650,000

The Special EU Programmes Body provides a forecast of receipts to the Department as part of the estimates process but with that caveat there can be a material change. Ultimately, the forecasted receipts did not match the amount received.

8. Miscellaneous

Estimate provision €700,000; realised €1.3 million

The variance was caused by a refund from Meath County Council of €732,000 in respect of unspent funding. The Office of Public Works (OPW) via the HSE returned an amount of €213,000 in relation to funding received from the supplementary process. These amounts were not included in the estimate provision.

4.2 Revenue from exchange and non-exchange transactions

Appropriations-in-aid represent cash amounts received in the year. Revenue of the Vote represents income related to the activity of the year, based on the accrual principle.

	2025
	€000
Non-exchange transaction revenue	
Central Fund grant	25,584,574
Recovery of EU health costs	260,000
Receipts from excise duties on tobacco products	167,605
Dental benefit	7,237
Optical benefit	6,990
Additional superannuation contributions	5,856
EU funding from co-financing	650
Accrued income decrease - ASC	(69)
Exchange transaction revenue	
Misuse of Drugs Acts license fees	46
Other revenue	
Refund of grant schemes (prior years)	1,285
Total revenue	26,034,174
Represented by	
Total appropriations-in-aid	449,669
Central Fund grant	25,584,574
Decrease in accrued income	(69)
	26,034,174

4.3 Extra receipts payable to the Exchequer

	2025	2024
	€000	€000
Balance at 1 January	—	—
Voluntary surrender of pay	—	48
Transferred to the Exchequer	—	(48)
Balance at 31 December	—	—

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Department	688	670
HSE direct employees ^a	95,763	93,793
Voluntary (section 38) acute and non-acute services employees	55,898	54,475
Other agencies ^b	2,469	2,300
	154,818	151,238

Note ^a These figures include employees funded by both the Department of Health and the Department of Children, Disability and Equality.

^b 'Other agencies' includes all agencies operating under the Department's aegis including those that do not receive direct Exchequer funding.

5.2 Pay ^a

Department remuneration	2025 €000	2024 €000
Pay	49,644	46,091
Higher, special or additional duties allowances	398	281
Other allowances	5	3
Overtime	109	104
Employer's PRSI	4,542	4,092
Severance pay	58	—
Total pay	54,756	50,571

Note ^a Salaries as recorded in subhead A.1 and H.1

HSE remuneration	2025	2024
	€000	€000
Pay	6,063,941	5,779,957
Higher, special or additional duties allowances	711,422	679,833
Arrears	18,710	28,388
Overtime	369,270	355,469
Employer's PRSI	738,832	698,840
Pandemic special recognition payment	—	45
Superannuation	1,133,158	1,034,660
Total pay of HSE direct employees	9,035,333	8,577,192
Agency staff costs	833,216	725,980
Total pay^a	9,868,549	9,303,172

Note ^a Total pay costs above relate to HSE services only. Pay costs for employees in the voluntary sector are accounted for under non-pay expenditure (revenue grants to outside agencies) in the annual financial statements of the HSE.
These figures include employees funded by both the Department of Health and the Department of Children, Disability and Equality.

Remuneration of other agencies staff^a	2025	2024
	€000	€000
Pay	106,511	95,205
Higher, special or additional duties allowances	319	373
Other allowances	86	92
Overtime	44	27
Employer's PRSI	11,331	9,970
Total pay	118,291	105,667

Note ^a Other agencies include agencies operating under the Department's aegis that receive direct Exchequer funding, other than the HSE.

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Department staff				
Higher, special or additional duties allowances	36	16	35,941	27,563
Other allowances	6	—	1,489	1,685
Overtime	18	2	21,527	21,980
Extra remuneration in more than one category	5	4	26,834	27,184
Agency staff ^a				
Higher, special or additional duties allowances	80	8	46,677	17,690
Other allowances	20	—	6,394	6,394
Overtime	25	—	5,581	3,541
Extra remuneration in more than one category	1	—	825	—

Note ^a Agencies operating under the Department's aegis that receive direct Exchequer funding, other than the HSE.

5.4 Department employee pay bands

The number of Department employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2025	2024
20,000	59,999	335	324
60,000	69,999	74	73
70,000	79,999	53	70
80,000	89,999	87	63
90,000	99,999	48	51
100,000	109,999	35	28
110,000	119,999	29	20
120,000	129,999	12	14
130,000	139,999	9	2
140,000	159,999	—	—
160,000	169,999	—	1
170,000	179,999	1	2
180,000	189,999	5	3
190,000	199,999	—	—
200,000	209,999	—	1
210,000	299,999	—	—
300,000	309,999	—	1
310,000	319,999	1	—

5.5 Remuneration and benefits of Accounting Officer

	2025	2024
	€000	€000
Basic pay	<u>316</u>	<u>305</u>

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the Established New Entrants Post 2004 Pension Scheme and his entitlements to retirement benefits do not extend beyond the standard terms of that pension scheme.

5.6 Payroll overpayments

at 31 December	Number of recipients	2025 €	2024 €
Overpayments	86	222,939	222,670
Recovery plans in place	8	35,144	11,746

Overpayments to the value of €10,888 were transferred to other public service bodies.

5.7 Ex-gratia payment

A total payment amounting to €75,000 was made to a charity OACS Ireland (Organisation Anticonvulsant Syndromes Ireland) during 2025.

The sanction of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation was not sought, as required in the Department's *Public Financial Procedures* guidelines.

5.8 Severance and redundancy

In 2025, four staff members whose employment was terminated received redundancy and severance payments totalling €58,450.

Grade	Number of recipients	Severance Payment €	Redundancy €
Principal officer grade	1	6,012	31,992
Civilian driver	3	5,796	14,650
Total		11,808	46,642

Note 6 Miscellaneous

6.1 Committees, commissions and special inquiries

Fixed purpose commission	Year of appointment	Cumulative expenditure to the end of 2025 €000	Expenditure in 2025 €000	Expenditure in 2024 €000
Sodium Valproate Inquiry	2024	1,020	647	373
Cervical Check Tribunal	2020	4,203	5	424
		5,223	652	797

6.2 EU funding

The amount of €650,000 received in 2025 from the ERDF/INTERREG and shown as appropriations-in-aid was received to co-finance recorded expenditure from subhead E.4 in previous years.

The amount of €1.649 million paid out of subhead E.4 in 2025 was in relation to Peace Plus.

The Department of Health operates an EU suspense account to record receipts and expenditure not borne of the Vote. In 2025, €9.029 million was received into the EU suspense account from the EU and €7.794 million was paid out to recipients.

6.3 Compensation and legal costs

Payments/costs paid by the Department in the year

	Claims by		Total	Total
	Employees	Members of the public	2025	2024
Number of cases	2	18	20	21
	€000	€000	€000	€000
Department's own legal costs	12	1,264	1,276	742
Payments by/on behalf of Department				
Compensation	55	1,121	1,176	3,825
Legal costs	2	623	625	725
Other costs	—	32	32	40
2025 Total	69	3,040	3,109	5,332
2024 Total	38	5,294	5,332	

6.4 Special Obstetrics Investment Fund (SOIS)

In 2008, the Minister for Health established a Special Obstetrics Indemnity Scheme. Under the scheme, the Minister agreed to indemnify Bon Secours Hospital (Cork) and Mount Carmel Hospital in respect of specified obstetric claims. A fund was established with contributions from the two hospitals, the Medical Protection Society and the Department of Health. Claims are paid by the State Claims Agency as they arise. The Minister for Health has authorised the State Claims Agency to draw down moneys from the fund to cover the cost of claims.

In 2024, the Mount Carmel SOIS fund was fully utilised and, as per the participation agreement, the balance requiring reimbursement was charged to the Clinical Indemnity Scheme.

At 31 December 2025, the balance on the fund (Bon Secours only) totalled €2.962 million (2024: €2.958 million). The fund is managed by the National Treasury Management Agency and the related income and expenditure is reflected in the annual financial statements of the State Claims Agency.

6.5 Late interest payments and compensation payments

	2025	2024
	€000	€000
Total of interest payments paid	<u>3</u>	<u>7</u>

6.6 Write-offs

	2025	2024
	€000	€000
Suspense account write offs	<u>1</u>	<u>29</u>